IN THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF NORTH CAROLINA CHARLOTTE DIVISION 3:10ev610

SRI GOUTMAN TEX,)
Plaintiff,)
Vs.) ORDER
LINTER INDUSTRIES CORP.; LINTER INTERNATIONAL CORP; and ALAN)))
BOLONKIN,)
Defendants.)

THIS MATTER is before the court on a proposed Consent Judgment Against Linter Industries (#27), which the parties mistakenly filed as a pleading rather than submit as an exhibit to a motion or as a proposed document via CyberClerk. The court has, however, closely reviewed the proposed consent judgment, but will not adopt such proposal.

In such proposed consent judgment, the parties attempt to have this court make factual findings and legal conclusions which are beyond the court's actual knowledge. In doing so, the parties attempt to have this court tie the hands of other courts, law enforcement officers, and perhaps prosecutors. Indeed, reading the plain language proposed, it appears that the parties have structured their proposed judgment in a manner that could be read as absolving certain defendants, their officers, and directors not only of civil liability, but of criminal responsibility. Further, if a party anticipates that bankruptcy could be filed, the proposed consent decree is structured in a manner that would frustrate the administration of a bankruptcy estate. This court will not approve such consent judgment.

The court will, however, enlarge the Case Settlement Deadline (#26) by 14 days so

The court does not suggest the presence of criminal wrongdoing, only that the proposed language is so broad that it could be read to apply to criminal conduct.

that the parties can submit a more appropriate proposed consent judgment, supported by affidavits as to each and every legal or factual conclusion, or, more preferably, a Rule 41 dismissal.

ORDER

IT IS, THEREFORE, ORDERED that the court DISAPPROVES the proposed consent judgment (#27), and the parties are allowed an additional 14 days within which to make an appropriate submission under the Case Settlement Deadline (#26).

Signed: August 9, 2011

Max O. Cogburn Jr. United States District Judge